

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA San Diego, California

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For Immediate Release

NEWS RELEASE SUMMARY - September 19, 2005

United States Attorney Carol C. Lam announced today that Susan Denise Browne pled guilty in U.S. District Court in San Diego, California, today before the Honorable M. James Lorenz, in connection with her role in a fraudulent investment scheme called Alliance Leasing. Susan Browne admitted to one count of conspiracy to commit mail fraud and one count of conspiracy to commit tax evasion. Susan Browne and her co-defendant and husband, Charles Edward Browne, started the scheme here in San Diego. The investment scam flourished briefly before collapsing into bankruptcy in November 1998.

According to court documents, in the scheme, investors were promised returns of 16% per year with no risk; their investments supposedly bankrolled leases for commercial equipment such as ATMs and bagel-making machines. In her guilty plea, Susan Browne admitted conspiring with her husband and four other co-defendants to commit mail fraud by promising investors that they would make 16% returns with no risk. Investors were promised that their monies would be used to purchase equipment that would then be leased to independent businesses, with 90% of the money supposedly going to purchase equipment, and only 10%

going to a management fee. In reality, on top of the 10% management fee, at least 30% -- and frequently much more -- of investor monies were immediately siphoned off in the form of commissions. In addition, later investors' monies were used to make up the shortfall created by the high and undisclosed commissions, in classic Ponzi-scheme fashion. More than 1,600 investors put \$46 million into the scheme before it ultimately failed.

Last summer, after a two-month trial, Browne's husband, Charles Edward Browne, along with John Walter Lang of Alabama, and Laurence Crowell Leafer, David Lee Halsey and Braccus Lucien Giavanno, all of Florida, were convicted of conspiracy and mail fraud in connection with the same scheme.

Susan Browne is scheduled to be sentenced on January 9, 2006.

DEFENDANT

Susan Denice Browne

SUMMARY OF CHARGES

Title 18, United States Code, Section 371 (Conspiracy to Commit Mail Fraud)

Maximum sentence: Five years in prison and fine not to exceed \$250,000

Title 18, United States Code, Section 371 (Conspiracy to Commit Tax Evasion)

Maximum sentence: Five years in prison and fine not to exceed \$250,000

AGENCIES

Internal Revenue Service, Criminal Investigation Division

Federal Bureau of Investigation

United States Postal Service